

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: SEARSBORO TELEPHONE CO.	DOCKET NO. SPU-99-10
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ORDER APPROVING INTRALATA DIALING PARITY PLAN

(Issued June 22, 1999)

On April 22, 1999, Searsboro Telephone Co. (Searsboro) filed for the Board's consideration and approval a plan for implementing intraLATA dialing parity. Searsboro generally proposes to allow customers to choose their intraLATA carrier prior to the implementation of intraLATA dialing parity and to assign customers who do not make an affirmative choice to Dontel Communications, a subsidiary of Searsboro-Lynnvile Telephone Company.

Searsboro does not propose any mechanism to recover the cost of implementing intraLATA dialing parity.

Searsboro provided a proposed customer notification form for direct mailing and asks that the Board approve the form. The proposed notice will inform customers that they have four months from the date of implementation (which is projected to be July 21, 1999) to designate an initial preferred intraLATA carrier without incurring a PIC charge.

On May 5, 1999, the Consumer Advocate Division, Department of Justice (Consumer Advocate) filed a "Response To IntraLATA Dialing Parity Plan."

Consumer Advocate states that it has no objection to Searsboro's plan, but notes that the plan does not specify how Searsboro intends to ensure competitive neutrality when new customers are choosing their intraLATA carrier. Consumer Advocate suggests that the Board should require Searsboro to amend its plan to clarify how it intends to assure competitive neutrality when new customers choose an intraLATA carrier when initiating local service.

On May 12, 1999, Searsboro filed a letter intended to respond to the Consumer Advocate concern regarding competitive neutrality. Searsboro proposes to amend its plan to provide that when a new customer applies for service, they will be asked which long distance provider they prefer for their interLATA and intraLATA services. Only when the customer does not respond with a preferred carrier will Searsboro advise the customer of the carriers that are available, letting the customer choose from that list.

On May 25, 1999, the Consumer Advocate filed an amended response to the Searsboro plan, stating that the amendment proposed by Searsboro addresses the concern raised by the Consumer Advocate in its initial response.

The Board will approve Searsboro's plan for implementation of intraLATA dialing parity. The amendment to Searsboro's plan with respect to competitive neutrality and new customers appears to address, at least partially, the concern expressed by the Consumer Advocate. Moreover, it is not necessary for the Board to require any further amendment of the plan to spell out exactly how the company

will satisfy its obligation to provide a competitively-neutral choice of intraLATA carriers when a new customer requests telephone service. IOWA CODE § 476.100(7) (1999) prohibits a local exchange carrier from discriminating in favor of itself or an affiliate in the provision and pricing of any telephone service. It is up to Searsboro to comply with this requirement.

IT IS THEREFORE ORDERED:

The IntraLATA Dialing Parity Plan filed by Searsboro Telephone Company on April 22, 1999, as modified by the letter of May 12, 1999, is approved.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 22nd day of June, 1999.